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NM-4013A-000

IN REPLY REFER TO:
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UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
NEW MEXICO STATE OFFICE
1474 Rodeo Road
P.O. Box 27115
Santa Fe, New Mexico 87502-0115

July 27, 1993

Instruction Memorandum No. NM-93- 250
Expires: 9/30/94

To: District Managers

From: State Director

Subject: Application of Statute of Limitations
to Federal Oil and Gas Drainage DD 9/24/93

	ACTION	INIT.
<input checked="" type="checkbox"/> DM		SD
<input type="checkbox"/> ASSOC		
<input type="checkbox"/> ADMIN		
<input checked="" type="checkbox"/> RMSM		
<input type="checkbox"/> OPS		
<input type="checkbox"/> AUDITS		
<input type="checkbox"/> IRM		
<input type="checkbox"/> I&E		
<input type="checkbox"/> P/AFFAIRS		
<input type="checkbox"/> ALMRS		
<input type="checkbox"/> BUDGET		
<input type="checkbox"/> PROCURE		
<input checked="" type="checkbox"/> ORA		
<input checked="" type="checkbox"/> FILE		

The attached WO IM No. 93-287 provides further guidance on the application of the statute of limitations to Federal drainage cases. This guidance only applies to Federal cases. Advice on the application of the statute to Indian cases will be prepared and distributed in the future.

The following actions should be taken immediately:

- 0- 1. Administratively close cases where there has been no appealable Bureau of Land Management action taken (usually a decision letter) and more than 10 years have passed since drainage stopped.
- 2- 2. Administratively close cases where insignificant drainage (less than \$4,000) has occurred in the 10-year period preceding the decision letter
3. Accelerate your review process to insure issuance of a decision letter well within the 6-year statute of limitations. The 6-year period generally starts when a case is established, although it can begin if drainage is brought to our attention by other means.
4. Assign the highest priority to cases which have the greatest assessment potential for the 6-year period preceding the decision letter. Assign the second-highest priority to cases which have the greatest assessment potential for the 10-year period preceding the decision letter.
5. All District Offices are to follow-up on a quarterly basis on those cases where the Minerals Management Service (MMS) has been requested to bill the lessee. Please notify this office when you find an assessment which MMS is failing to process in a timely manner.

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6. A report on the effects of actions one and two should be submitted to this office no later than September 24, 1993.

Indian drainage cases will continue to be a higher priority than Federal cases. Continue to issue decision letters using the standard language pending the issuance of the new format by the Washington Office.

Direct any questions to Rick Wymer at (505) 438-7411.

Kathy Eaton
Kathy Eaton
Acting

1 Attachment:

1 - WO IM No. 93-287 (4 pp)

Distribution

WO (600), MIB, Rm. 5627 - 1 w/o attachment

WO (610), LS, Rm. 501 - 1 w/o attachment

SC-214 - 1 w/o attachment

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